



**STATE OF TENNESSEE
DEPARTMENT OF FINANCE AND ADMINISTRATION
STATE CAPITOL
NASHVILLE, TENNESSEE 37243-0285
DAVE GOETZ
COMMISSIONER**

**FOR IMMEDIATE RELEASE
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November Revenues

Nashville – On an accrual basis November is the fourth month in the 2003-2004 fiscal year. Department of Revenue tax collections were \$644 million.

November revenues were \$26 million more than the budgeted estimates, Finance and Administration Commissioner Dave Goetz announced today. The general fund had a \$24.2 million overcollection and the four other funds overcollected by \$1.8 million.

Sales tax collections were \$12 million more than the estimate in November. For four months revenues are overcollected by \$38.1 million.

Franchise and excise tax collections were \$20.7 million, an overcollection of \$6 million for the month. Revenues are undercollected by \$14.3 million for four months.

Gasoline taxes and motor vehicle registrations were \$1.6 million more than the budgeted estimate of \$83.8 million in November.

Year-to-date collections for four months are \$53.7 million more than the budgeted estimates. The general fund is overcollected by \$48.2 million and the four other funds are overcollected by \$5.5 million. Sales tax estimates for the year are corrected by \$10.3 million to account for allocations to the telecommunications ad valorem tax reduction fund.

The budgeted revenue estimates are based upon the State Funding Board's consensus recommendation adopted by the first session of the 103rd General Assembly in May of this year.

**REVENUE COLLECTIONS
NOVEMBER, 2003, AND 4 MONTHS YEAR-TO-DATE**

November Collections:

	Budgeted Accrual Estimate	Actual	Difference
General Fund	\$497,952,000	\$522,201,000	\$24,249,000
Highway Fund	48,973,000	50,017,000	1,044,000
Sinking Fund	18,421,000	18,501,000	80,000
City & County Fund	50,149,000	50,748,000	599,000
Earmarked Fund	2,498,000	2,561,000	63,000
Total	\$617,993,000	\$644,028,000	\$26,035,000

Year-To-Date Collections:

	Budgeted Accrual Estimate	Actual	Difference
General Fund	\$2,235,029,000	\$2,283,251,000	\$48,222,000
Highway Fund	204,228,000	205,238,000	1,010,000
Sinking Fund	74,043,000	74,320,000	277,000
City & County Fund	205,413,000	208,635,000	3,222,000
Earmarked Fund	10,671,000	11,616,000	945,000
Total	\$2,729,384,000	\$2,783,060,000	\$53,676,000

Table 1
Tennessee Department of Revenue
Comparative Statement of Collected Revenues

Class of Tax	November			
	2002	2003	Change	Percent
Franchise & Excise	\$16,134,000	\$20,684,000	\$4,550,000	28.20%
Income	580,000	572,000	-8,000	-1.38%
Inheritance & Estate	8,372,000	10,175,000	1,803,000	21.54%
Gasoline	46,069,000	47,395,000	1,326,000	2.88%
Petroleum Special	4,808,000	5,229,000	421,000	8.76%
Tobacco	8,923,000	8,677,000	-246,000	-2.76%
Beer	1,692,000	1,335,000	-357,000	-21.10%
Motor Vehicle Registration	14,409,000	15,875,000	1,466,000	10.17%
Motor Vehicle Title	733,000	783,000	50,000	6.82%
Mixed Drink	3,102,000	3,366,000	264,000	8.51%
Business	(1,165,000)	496,000	1,661,000 *	142.58% *
Privilege	16,551,000	18,728,000	2,177,000	13.15%
Gross Receipts	127,000	234,000	107,000	84.25%
TVA - In Lieu of Tax Payments	16,407,000	16,756,000	349,000	2.13%
Alcoholic Beverage	2,902,000	3,155,000	253,000	8.72%
Sales and Use	444,703,000	473,568,000	28,865,000	6.49%
Motor Vehicle Fuel	15,424,000	16,903,000	1,479,000	9.59%
Severance	88,000	90,000	2,000	2.27%
Coin-operated Amusement	43,000	7,000	-36,000	-83.72%
Total	\$599,902,000	\$644,028,000	\$44,126,000	7.36%

* Business Tax - The rate increase included in the Tax Reform Act of 2002 did not generate additional revenues in November 2002.

Table 2
Tennessee Department of Revenue
Comparative Statement of Collected Revenues

Class of Tax	August - November			Percent
	2002	2003	Change	
Franchise & Excise	\$196,089,000	\$232,826,000	\$36,737,000	18.73%
Income	1,796,000	4,137,000	2,341,000	130.35%
Inheritance & Estate	33,733,000	40,489,000	6,756,000	20.03%
Gasoline	208,396,000	204,679,000	-3,717,000	-1.78%
Petroleum Special	20,860,000	21,218,000	358,000	1.72%
Tobacco	35,502,000	39,564,000	4,062,000	11.44%
Beer	6,241,000	5,999,000	-242,000	-3.88%
Motor Vehicle Registration	63,379,000	67,697,000	4,318,000	6.81%
Motor Vehicle Title	3,656,000	3,664,000	8,000	0.22%
Mixed Drink	12,270,000	12,971,000	701,000	5.71%
Business	233,000	4,784,000	4,551,000 *	1,953.22% *
Privilege	64,455,000	80,666,000	16,211,000	25.15%
Gross Receipts	10,226,000	9,874,000	-352,000	-3.44%
TVA - In Lieu of Tax Payments	67,380,000	68,349,000	969,000	1.44%
Alcoholic Beverage	10,496,000	11,446,000	950,000	9.05%
Sales and Use	1,782,528,000	1,916,355,000	133,827,000	7.51%
Motor Vehicle Fuel	56,303,000	57,879,000	1,576,000	2.80%
Severance	347,000	364,000	17,000	4.90%
Coin-operated Amusement	379,000	99,000	-280,000	-73.88%
Total	\$2,574,269,000	\$2,783,060,000	\$208,791,000	8.11%

* Business Tax - The rate increase included in the Tax Reform Act of 2002 did not generate additional revenues in August - November 2002.

Table 3
August - November Revenue Overcollections/(Undercollections)
Budgeted Estimate

	General Fund	Other Funds	Total
Sales Tax	\$ 36,400,000	\$ 1,700,000	\$ 38,100,000
Income Tax	200,000	0	200,000
Inheritance Tax	17,900,000	0	17,900,000
Privilege Tax	12,100,000	900,000	13,000,000
Business Tax	(1,600,000)	0	(1,600,000)
TVA	(100,000)	0	(100,000)
Gross Receipts	(2,100,000)	0	(2,100,000)
Gasoline & Motor Vehicle Registration	400,000	2,700,000	3,100,000
Other Taxes	(700,000)	200,000	(500,000)
Sub-Total	<u>\$ 62,500,000</u>	<u>\$ 5,500,000</u>	<u>\$ 68,000,000</u>
F & E Taxes	(14,300,000)	0	(14,300,000)
Total	<u><u>\$ 48,200,000</u></u>	<u><u>\$ 5,500,000</u></u>	<u><u>\$ 53,700,000</u></u>